

Assistance by NABARD to Andhra Pradesh and Maharashtra

1415. SHRI M.V.V.S. MURTHY: Will the Minister of FINANCE be pleased to state:

(a) the financial assistance provided to Andhra Pradesh and Maharashtra by NABARD from 1988 to 1990, year-wise; and

(b) the rate of interest charged thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The refinance disbursments for schematic lendings by National Banks for Agriculture and Rural Development (NABARD) in respect of Andhra Pradesh and Maharashtra for the years 1988-89, 1989-90 and 1990-91 are as under:

(Rs. in crores)

Year	Andhra Pradesh	Maharashtra
1988-89 (July- June)	137.58	232.56
1989-90 (July-June) (for 9 months)	180.81	192.81
1990-91 (April-March)	190.53	239.50

(b) The rates of interest on NABARD's refinance charged purpose-wise till 22nd September, 1990, were as under:

S.No	Purpose	Rate of interest on re-finance
1.	Minor Irrigation and land Development	6.5%
2.	Diversified Purpose-	
a)	IRDP	6.5%
b)	Small farmers (as per NABARD's Definition)	6.5%
c)	Gobar Gas	6.5%
d)	Others	8.0%
3.	Wasteland Development	
a)	Individuals or group of individuals such as cooperatives.	6.5%

S.No	Purpose	Rate of interest on re-finance
4.	Corporate and other borrowings	8.0%

Consequent upon the revision in the lending rates, by Reserve Bank of India (RBI) on 22.9.1990 which are related to the size of the loans, the interest rate on refinance has also been revised by NABARD as under:

Size of loan sanctioned	Rate of interest on refinance
1) Upto and inclusive of Rs.50,000.	6.5% p.a
2) Above Rs. 50,000	9.5% p.a.

The interest rates were further revised by RBI with effect from 9th October, 1991. However, NABARD are yet to re-fix their refinance rate consequent to the revised interest rate structure announced by the RBI.

Soft Loan to UCO Bank from R.B.I,

1416. SHRI RABI RAY: Will the Minister of FINANCE be pleased to state:

(a) whether the UCO Bank has approached the Reserve Bank of India for a soft loan; and

(b) if so, the details and the purpose thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) UCO Bank has reported that it has not approached the Reserve Bank of India (RBI) for any "Soft Loan" assistance. However, it has made a request for a waiver of 15% in Statutory Liquidity Ratio (SLR) requirement involving an amount of Rs. 383 crores and release of balance amount of Rs. 103.25 crores and

Agricultural and Rural Debt Relief (ARDR) Scheme claim on priority basis.

(b) UCO Bank has further reported that the purpose for which the request has been made is to avoid the bank's borrowing from the call money market at an exorbitant rate of interest. The above assistance will also enable the bank to meet the genuine and immediate credit requirements of its borrowers particularly those belonging to the priority sector.

Take over of Private Sector Banks

1417. SHRI BIJOY KRISHNA HANDIQUE:
SHRI PALA K.M. MATHEW:

Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to take over some private sector banks or merge them with public sector banks;

(b) if so, the details thereof; and

(c) the time by which final decision in this regard is likely to be taken?